HOUSING MARKET OUTLOOK

Canada Mortgage and Housing Corporation

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New Home Market

Activity Levels Remain High In '06

New housing activity across the Capital Region maintained a vigorous pace during the first eight months of 2005. Both single-detached and multi-family starts outpaced the numbers tallied during January-to-August of 2004. Going forward, look for a slight moderating trend across the entire industry but the volumes anticipated for 2006 will remain fairly robust by historic standards. Total housing starts this year will reach 13,350 units, representing the second best year on record for Metro Edmonton and a 16 per cent gain over 2004. In 2006, total new housing activity will throttle back to 12,300 units, which is on par with the volumes achieved during 2002 and 2003.

GROWTH IN SINGLE-DETACHED STARTS UNEVEN ACROSS EDMONTON

January - August (% chg 2004/2005)

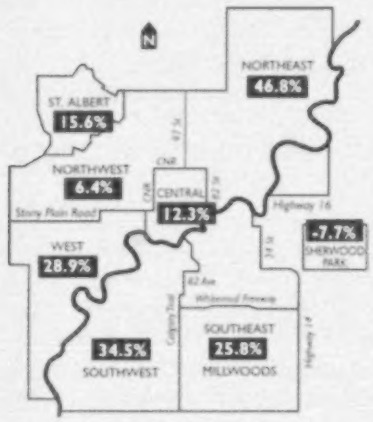
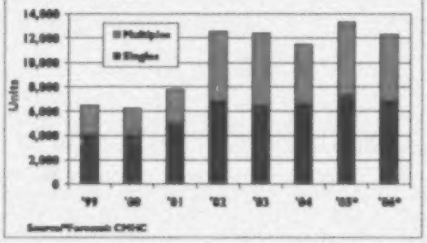


Chart #1

Housing Starts Remain At High Levels



Single-Detached Starts Peak in 2005

Single-detached home builders maintained a record-setting pace throughout most of the first eight months of 2005. Should this tempo be maintained to year-end, builders in the Edmonton Region will achieve their best year ever, with starts expected to eclipse the record 6,860 single-family units started in 2002. This year will also mark an unprecedented fourth consecutive year of activity beyond the 6,000 unit mark. Overall, the prospects for 2006 look promising thanks to a strong resale market, continued low mortgage rates and an expanding economy. This said, a number of factors are aligning to trim activity as we head into the following year. Rapidly rising prices combined with an up-tick in mortgage rates will encourage a number of prospective new home buyers to consider less expensive options such as semi-detached units, higher-density condos or resale homes. In addition, Statistics Canada's monthly labour force survey has reported much slower job growth this year within Metro

EDMONTON

FALL 2005

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Total housing starts reach 13,350 units this year, with single-detached builders setting a new benchmark of 7,350 units. In 2006, total starts will pullback by almost 8 per cent to 12,300 units.

4 **Resale market**
New records will be set in 2005 for home sales and prices. Next year, sales will fall by close to three per cent due to the rising costs of home ownership. Price growth will slow as supply and demand converge.

6 **Rental Market**
Apartment vacancies move lower in 2005 but rents remain stable due to continued strong competition. Vacancies inch lower in 2006 allowing a modest rent increase of one per cent.

7 **Economy**
Strong economic growth continues into 2006 thanks to high energy prices. Unemployment levels remain among the lowest in Canada. Job creation improves in 2006.

8 **Forecast Summary**

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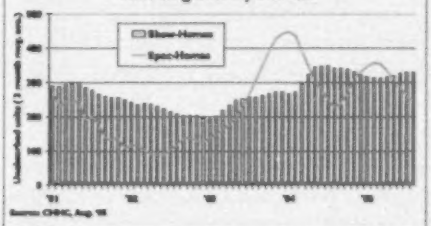
HOME TO CANADIANS

Edmonton and this should translate into weaker household formation in 2006. And while the number of spec units in inventory were fairly low this summer, we anticipate these stocks to rise during the winter months causing a moderate pullback in starts during the first quarter of 2006.

New Single-Family Inventories To Rise

At the end of August, overall inventories of completed and unsold new homes (including show homes) remained on par with the volumes witnessed during the late summer of 2004. The difference this year is the number of units in the pipeline. The record-setting starts during the first eight months of the year put units under construction up by 20 per cent year-over-year and a number of these units will move into inventory during the fourth quarter. While absorption rates have improved slightly over the past year, their prospects going forward are on the downside due to the combined impact of large price gains and an upward tilt in mortgage rates.

Chart #2
Inventory of Completed & Unabsorbed
New Single-Family Homes



New House Prices Head Higher

New home prices continue to accelerate across Greater Edmonton, largely due to cost pressures faced by builders and developers. A typical new single-detached home sold for just under $264,000 during the first eight months of 2005, representing an increase of almost 12 per cent over the average reported during the same period last year. On a square-foot basis, a typical new home is approximately 10 per cent more expensive than this time last year, as house sizes have, on average, grown slightly larger over the past year. Higher energy prices are impacting the entire sector along with rising tabs for labour, land and most building components. As was the case this time last year, another brutal hurricane season in the United States will put upward pressure on prices for building products going into 2006. North American prices for products such as copper, cement, steel, gypsum and diesel fuel were on the rise before hurricanes Katrina and Rita hit the Gulf States in late summer. Both of these storms have impeded U.S. oil production and refining capacity and pumped-up energy prices across the continent. Petroleum and natural gas are key components to many building products such as asphalt, plastic pipe, roofing materials, and insulation - not to mention the transportation costs associated with delivery. Prices for lumber also shot up in September and are expected to remain at high levels as demand grows for building materials in the wake of 2005's multi-billion dollar hurricane damage. Within this environment, builders in the Edmonton Region are seeking double-digit (per cent) price hikes to maintain their margins but, in doing so, they risk consumer sticker-shock in an environment where mortgage rates are no longer falling and helping to soften the blow of higher prices.

Another challenge is the new home's competitive position vis-à-vis resale housing. The so-called "price gap," which is the difference between the monthly resale price for single-detached homes sold on the Edmonton Real Estate Board's (EREB) MLS® and the price of new homes absorbed across Metro, has been moving higher in recent years and shows no sign of relenting. During the period 2000-2002, the gap shrank as price growth in the hot resale market outpaced the increases recorded in average new house prices. This situation has been reversed since 2003, with new home price gains outstripping increases in the existing market. Granted, some of this can be explained by changes in the sales mix with higher priced units capturing a greater market share. If current trends continue this year, however, the annual average new house price will have exceeded EREB's resale price by $48,500 - representing an increase of $7,951 on average from the gap of $40,549 reported in 2004. Further growth in the price gap is expected in 2006 as builders deal with continued rising input costs while a more

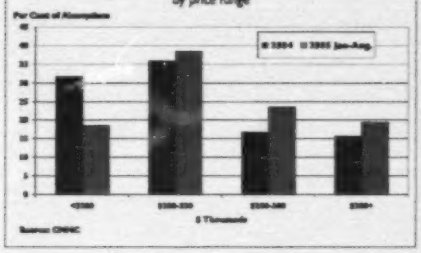
Table 1
New Single-Family Absorptions by Area
January - August (% chg 2004/2005)

	Sales			Average Price ($)			Median Price ($)		
	2004	2005	%chg	2004	2005	%chg	2004	2005	%chg
North Central	55	38	-30.9	256,648	251,476	-2.0	232,700	231,300	-0.6
Northeast	241	338	40.2	205,207	251,865	22.7	197,500	245,450	24.3
Northwest	632	596	-5.7	220,643	259,342	17.5	219,700	254,250	15.7
South Central	35	32	-8.6	377,051	364,763	-3.3	332,800	334,150	0.4
Southeast	510	462	-9.4	217,149	239,710	10.4	207,900	221,550	6.6
Southwest	686	890	29.7	281,590	281,117	-0.2	246,300	255,200	3.6
West	378	416	10.1	245,069	257,937	5.3	226,200	240,100	6.1
Total Edmonton City	**2537**	**2772**	**9.3**	**241,230**	**263,048**	**9.0**	**220,000**	**247,500**	**12.5**
Fort Saskatchewan City	55	60	9.1	227,287	238,096	4.8	225,900	227,650	0.8
Leduc City	74	84	13.5	207,151	239,824	15.8	204,900	236,200	15.3
Parkland County	117	136	16.2	203,031	269,555	32.8	192,243	253,698	32.0
Spruce Grove City	136	156	14.7	206,130	216,021	4.8	205,146	212,500	3.6
St. Albert City	211	230	9.0	288,456	320,539	11.1	261,850	294,000	12.3
Stony Plain Town	105	105	0.0	194,873	204,178	4.8	181,795	195,272	7.4
Strathcona County	554	486	-12.3	243,435	303,607	24.7	225,000	257,000	14.2
Total Rural Municipalities	1591	1655	4.0	231,621	265,011	14.4	215,000	237,900	10.7
Grand Total	**4128**	**4427**	**7.2**	**237,584**	**263782**	**11.0**	**219,650**	**244500**	**11.3**

Source: CMHC

balanced resale market eases price pressures for existing homes.

Chart #3
New Single-Detached Absorptions
By price range



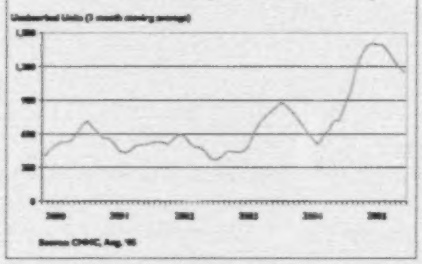
Land Supplies Remain Adequate

According to the Doesburg Report, produced quarterly for Edmonton Urban Development Institute (UDI), the vacant lot supply across Metro stood at 7,288 units at midyear. This represented a five per cent increase from June of last year. Overall, Doesberg says there are no shortages of lots although supplies are not evenly distributed across the region. However, lot prices continue to rise at a steady pace this year and developers are warning builders and consumers to look for much higher prices in 2006. Soaring costs for raw land, development fees and levies and the same construction cost pressures noted above in the new house price section will take their toll. According to CMHC data, the price for the land component of a typical new home sold during the first six months of 2005 averaged just over $77,000, representing an increase of nine per cent from the first half of 2004. We expect lot price increases to average above the 10 per cent level for the remainder of this year. Industry sources suggest price gains of 12 to 15 per cent for a typical single-family lot are in the cards for 2006.

Multiple Starts Pullback in 2006

Following a 19 per cent drop in 2004, total multi-family starts across Metro surged during the first eight months of 2005, up by a whopping 45 per cent over the same period last year. Will this level of year-over-year increase be maintained throughout the balance of 2005? Our view is that continued high volumes this year will come at the expense of activity levels in 2006. Developers should begin to throttle-back production this fall or risk an inventory overrun during 2006. Total multi-family starts should reach 6,000 units this year, representing an increase of 23 per cent and mirroring the numbers achieved during 2002 and 2003. There is some upside risk to this forecast that could further dampen our expectations for activity levels in 2006. Despite the potential for a supply overrun, demand will remain very strong in 2006 due to the cost advantages associated with higher-density housing. However, inventory adjustments will be required and this will cause activity to moderate to near the 5,400 unit mark next year.

Chart #4
New Multi-Family Unit Inventory



Much of this year's improvements in multi-family construction have come in the form of higher-density housing types. After eight months, row and apartment starts combined increased by close to 60 per cent over the same period last year. Apartment starts, in particular condo units, have been ahead for much of the year while row units experienced a big rebound in August. In contrast, semi-detached starts were up by just over 12 per cent year-to-date in August despite relatively low levels of standing inventory. Over the past three years, semis have slowly eroded the dominant position of singles in the detached new home market due to their competitive pricing. This improvement, however, appears to have stalled in 2005 and a shortage of suitably zoned and developed land in some districts has been sited as one reason for this lagging performance. As well, recent price hikes for semis may be undermining their attractiveness relative to other options such as new townhouses and existing single-detached units.

New Condos In Good Supply

Condominium starts have increased this year by a sizeable margin over the first eight months of 2004 despite a considerable rise in the inventory of completed and unoccupied units. Demand remains strong for both townhouse (row) and apartment condos due to their price advantages over detached homes. As well, the resale market has less inventory this summer so more buyers are shopping new. Year-to-date absorptions were well ahead of 2004 volumes to the end of August, albeit underpinned by a substantial rise in completions. The most popular row condos (57%) have been price between $160,000 and $200,000 while apartment sales tend to be more varied in price point. Higher-end condos priced over $250,000 have risen in popularity, grabbing over 23 per cent of sales in the first eight months of the year compared with only 16 per cent during all of 2004.

Despite the robust sales, a recent jump in condo inventory will raise red flags for investors and lenders financing major projects and a slowdown is expected in the months head. This will arise largely due to more stringent presale conditions set by lenders looking to head off an oversupply that could send prices lower. The main area of concern is the apartment sector that is looking well supplied in general and oversupplied in some localities around Metro. West Edmonton in particular had a large inventory in August, containing one half of the 500 new unabsorbed units available within Edmonton City. Completions have surged this year to the point where units under construction were down overall in August despite an improvement in starts. With inventories up more than four fold this summer across the region, many projects pending construction will be deferred until the new year due to slower than expected pre-sales. Meanwhile, those buildings that have finished construction face a very competitive situation both from existing new condos and those that were built recently as rentals and are now being converted to condos for the resale market.

New Rental Apartment Supply Adequate, Row Units Scarce

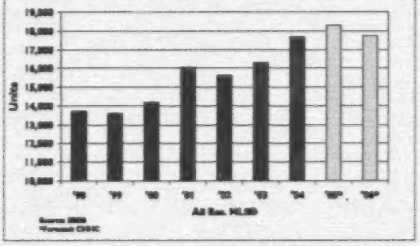
Although rental apartment completions have tapered-off in 2005, inventories of unabsorbed new units have remained high. Absorption rates have slowed, in part due to fewer completions, but also due to stiff competition from existing rental properties and new condo apartments that have been purchased by investors and then rented out. Across the region there were 479 completed and unoccupied new rental apartments on hand in August compared with 407 in August 2004. The lion's share of the new apartments were found in North Central and Northeast Edmonton. Most other areas showed little standing inventory in August but there were still over 900 units under construction across Metro in August up from 843 in August 2004. Just over three-quarters (710/909) of the new rental apartments underway this summer are located within Edmonton City and the remaining 200 found in the outer municipalities. In contrast to the apartments, row rental inventory is largely non-existent across the region. Although there are some rental townhouses in the pipeline within Edmonton City this summer, the volumes overall are fairly low. This shortfall may represent a developmental opportunity in some locations, assuming the availability of reasonably priced and suitably zoned sites.

RESALE MARKET

Home Sales Peak In 2005

Despite an end to falling mortgage rates and year-over-year price increases of between five and 10 per cent (depending on house type and neighbourhood), sales reported by EREB remained on a record-setting pace so far this year. After eight months, total MLS® sales of previously owned homes were almost five per cent ahead of the same time last year, with demand for condominium units showing exceptional strength. Meanwhile, new listings have not kept pace and, as a result, inventory numbers have edged lower. This, in turn, has helped sustain the upward pressure on prices. Total residential sales are forecast to reach 18,300 units this year, up 3.7 per cent from last year's record-setting performance. In 2006, demand will ease slightly due to the combined effects of higher mortgage rates, slower job growth this year and continued albeit moderating upward pressure on prices.

Chart #5
Home Sales Peak in 2005

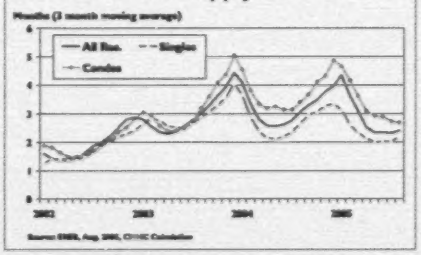


Single-Detached Sales To Moderate in 2006

Single-detached sales to the end of August were up slightly from the same period in 2004 while new listings entering the market to-date have edged lower. The resulting decline in active listings has worked to the advantage of the sellers causing prices to grow at just over nine per cent year-to-date. As shown in Chart 6, months of supply have dropped to very low levels for singles and this shortage of inventory has reduced listing periods and encouraged vendors to seek top dollar for their homes.

While we expect this year's single-family sales will largely mirror 2004 by year-end, look for a modest decline in 2006 as higher carrying costs keep some potential buyers on the sidelines. The costs of renting a home have been fairly stable in the past year and are not expected to rise substantially over the forecast period (see Rental Market Section). Meanwhile, as noted in the section below, home ownership costs will experience back-to-back increases of over eight per cent this year and in 2006. As the gap between renting and owning the same accommodation continues to grow next year, increased numbers of renters will decide to delay purchasing and this will undermine sales.

Chart #6
Months of Supply on MLS®



Slower House Prices Increases in '06

To the end of August, increases in the resale value of a typical house sold on the MLS® have outpaced the gains witnessed in 2004 in large part due to a shortage of listings in the moderate end of the price scale. On the heels of an 8.7 per cent rise in 2004, prices so far this year have climbed 9.3 per cent to a record $219,380 during the first eight months of the year. With fewer houses moving in the under $150,000 price ranges, average sale prices are being pushed skyward. Sales of units priced over $200,000 so far this year (to August) accounted for 53 per cent of the market compared with 42 per cent in all of 2004.

With months of supply clearly in the sellers' range this summer, expect little moderation until the new year. In 2006, we anticipate a market that is more balanced allowing buyers to gain some advantage due to improved selection. Longer listing periods should also help to moderate vendor expectations, allowing price increases for the year to

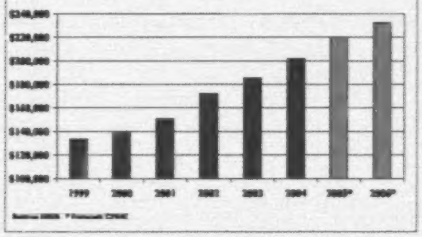
Table 2
MLS® SALES - SINGLE-DETACHED UNITS
January - August (% chg 2004/2005)

	Sales			Average Price ($)			Median Price ($)		
	2004	2005	%chg	2004	2005	%chg	2004	2005	%chg
Northwest	342	311	-9.1	168,972	185,372	9.7	162,750	173,000	6.3
North Central	1,279	1,317	3.0	188,100	208,998	11.1	179,000	200,000	11.7
Northeast	445	433	-2.7	156,478	172,795	10.4	153,000	167,000	9.2
Central	388	385	-0.8	133,421	142,502	6.8	125,750	131,000	4.2
West	840	850	1.2	231,849	263,484	13.6	210,000	229,000	9.0
Southwest	1,102	1,145	3.9	272,158	291,751	7.2	242,000	262,000	8.3
Southeast	1,344	1,264	-6.0	184,949	206,662	11.7	175,500	197,000	12.3
St. Albert	764	705	-7.7	234,024	253,817	8.5	216,650	235,000	8.5
Sherwood Park	747	704	-5.8	229,856	253,369	10.2	217,500	242,000	11.3
Leduc	171	217	26.9	181,228	196,768	8.6	167,000	183,000	14.4
Spruce Grove	253	252	-0.4	184,267	200,507	8.8	173,500	191,000	10.1
Stony Plain	141	152	7.8	187,798	213,765	13.8	186,000	209,000	12.4
Ft. Saskatchewan	148	164	10.8	180,811	203,018	12.3	166,250	189,600	14.0
All EREB areas	**8,815**	**9,045**	**2.6**	**200,572**	**219,308**	**9.3**	**189,000**	**206,000**	**9.0**

Source: Edmonton Real Estate Board

throttle-back to between five and six per cent.

Chart #7
Single-Family MLS® Price



Resale Condos Enjoy Rising Demand

Condominiums remain a popular choice among many consumers in Edmonton due to their price advantage over detached units that are becoming too rich for some. However, the overall market share of condos sold on the MLS® has remained fairly stable in recent years at around 26.5 per cent of all residential sales. Overall, we look for condos to gain in popularity in 2006, in terms of market share, as rising mortgage rates price detached units beyond the reach of more potential buyers.

Following a 9.2 per cent rise during 2004, condo resales to the end of August increased by seven per cent over the same time last year. We expect total sales to end 2005 close to the 5,000 unit mark - representing the best year ever. In 2006, look for a modest decline as the market cools but overall sales should still eclipse 2004's number due to continued interest from price-sensitive first-time buyers.

The number of condo units listed for sale eased by over four per cent during the first eight months of 2005, and inventory numbers in August were off by 12 per cent year-over-year. Despite a higher sales-to-active-listings ratio in August, the overall market place is still more balanced than the existing market for single-detached homes. As such, price pressures have relaxed from earlier in the decade. During 2004, for example, the price of an average resale condo rose by almost eight per cent but this rate of increase has slowed to near the four per cent range to the end of August this year. Sales in the over $200,000 price category have not changed much in the past year (around 10 per cent of the market) and this has helped to slow the price gains despite fewer condos available for under $100,000. The moderation in price hikes has helped to maintain demand and we see this situation, to some extent, going forward into 2006.

Spolight On Carrying Costs

During the period 2001 to 2004, prospective home buyers benefited from an environment of falling mortgage rates that helped to soften the impact of rapidly rising home prices. In 2004, for example, the average resale price of a typical single-detached home sold on the MLS® rose by 8.7 per cent but the monthly carrying costs to purchase the house (P.I.T.) increased by 6.5 per cent due to a modest decline in mortgage rates during the year. This situation has changed in 2005, with mortgage rates remaining largely unchanged from the previous year. As such, consumers looking to buy will face a rise in monthly carry costs of the average house that are fairly close to the nine per cent price increases expected over 2004. Next year, rising mortgage rates will take an expected 5.7 per cent price hike and translate that into an anticipated 8.6 per cent rise in carrying costs. Higher home heating bills associated with soaring natural gas prices will have an additional negative impact on demand. Some households on the margin will either have to reconsider the price of the dwelling they can afford to purchase or delay buying altogether and continue renting.

RENTAL MARKET

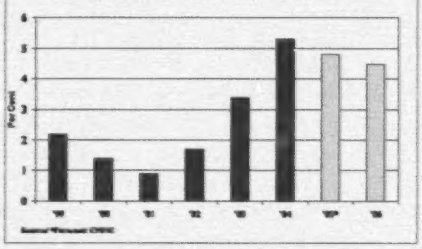
Vacancies Move Lower in 2006

CMHC performs its annual rental market survey across Canada during the first two weeks of October, so our 2005 results will not be available in time for this publication. Last year's Edmonton results, at 5.3 per cent, represented the highest apartment vacancies since 1996. When this year's survey numbers are released in December, we anticipate a decline in vacancy rates to around 4.8 per cent. This trend should continue into 2006, with demand supported by strong in-migration and the higher costs of home ownership. However, new units entering the market will remain in good supply and this will prevent any major downswing in vacancies.

As shown in Chart 8, rental apartment vacancies across Metro rose steadily between 2001 and 2004 in response to the high volumes of multi-family construction and increased demand for home ownership. These additions to the stock included both new rental units as well as condominiums purchased by investors and injected into the secondary rental market. The supply has also been bolstered by a string of warehouse and office building conversions into apartments in the downtown core. However, the economics of rental unit construction have altered recently and this will impact the number of new projects launched in 2006. The cost of constructing apartments, both wood-fame and concrete high-rise, has been accelerating in the past year while market rent levels have stagnated. Operating costs have also taken off and this has undermined the attractiveness of these investments relative to other financial assets. A number of rental properties built in recent years have also converted to condominium, and this will also reduce the supply of rentals on hand this fall.

Rising vacancies have increased the amount of rental incentives offered by landlords while also putting the brakes on rent increases across the region. Rents were rising rapidly during 2001 and 2002 but have tapered off since then as market conditions became more competitive. With operating costs taking a huge bite out of net incomes, property managers will be under pressure to raise revenues. Property values have surprisingly not fallen in this recent era of reduced net operating incomes (NOIs) and this has been accomplished by a compression of cap (capitalization) rates. However, with cap rates close to the bottom of the cycle, NOIs will need to improve to prevent values from slipping. With vacancies expected to drift lower and the costs of ownership rising, landlords will see a growing opportunity to raise rents in 2006. However, with vacancies still above the four per cent level, many landlords will again hold the line on rents to minimize turnovers. As such, overall rent increases will be modest until 2007.

Chart #8
Apartment Vacancy Rate



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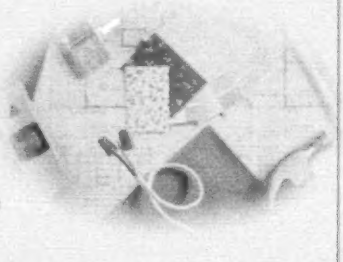

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ECONOMIC OVERVIEW

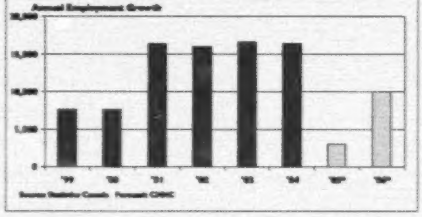
Energy Sector Drives The Expansion

With both crude oil and natural gas prices riding high, the economic environment across Metro Edmonton remains very positive and this will underpin continued strong demand for housing of all types in 2006. While job creation numbers in 2005 have slowed from the over three per cent annual gains reported during the 2002 to 2004 period, the unemployment rate remains amongst the lowest of any metropolitan area in Canada. Business and consumer confidence levels are very high amid an environment of overflowing provincial government coffers. Positive income gains and continued in-migration are the life blood of the housing sector and both these indicators remain on a solid footing going into 2006. Weaker job creation in 2005, however, may have a dampening effect on household formation next year.

The province of Alberta will remain a growth leader both this year and next due to the sustained high prices for energy resources. Large-scale capital projects abound. The Alberta government's quarterly inventory of major projects valued over two million dollars stood at a record $109 billion in June, of which almost $70 billion were oilsands-related projects primarily targeted in the province's Northeast.

Since sizeable components of Alberta's oilsands projects are fabricated within the capital region, the outlook for local economy going forward is extremely positive. In addition, soaring prices for natural gas will translate into another record year for exploration activity. Edmonton is the oilfield service capital of Alberta and strong energy exploration translates into huge economic spin-offs for the entire region.

Chart # 9
Slower Job Growth in 2005-06



Despite a reported slowdown in job creation across Metro this year, income growth has improved over 2004 and in-migration levels are also expected to rise this year. Construction activity, as measured by both residential and non-residential building permits, was up by 22 per cent to the end of August within Edmonton City. Residential renovation spending will be supported going forward by the record-level performance of the resale market over the past few years. The previous building boom in Edmonton occurred in the late 1970s and thousands of these homes are now approaching 30 years old. Many of these dwellings are in need of new fencing, windows, doors, roofing, furnaces, and other components that are at the end of their economic lives.

In Downtown Edmonton, office space is also getting much harder to find. Rents are rising but are still too low to attract any large-scale new construction. However, vacancies are expected to move lower in 2006 allowing landlords to push rents upward within an environment of rising operating costs. The industrial real estate market is currently very strong in Edmonton, largely driven by the oil and gas industry and the massive expansions underway in the province's Northeast. Given the outlook for global markets, the region's industrial market will continue to thrive in 2006 drawing interest from developers and investors across the continent.

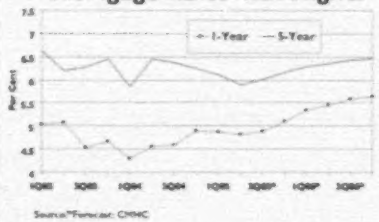
MORTGAGE RATE OUTLOOK

Rates Rise Moderately in 2006

Short-term mortgage rates move in tandem with the prime rate while mid- and long-term mortgage rates vary in response to the cost of raising funds in the bond markets. Mortgage rates will remain low in 2005 and rise moderately in 2006. Tame inflation, and a strong Canadian dollar vis-à-vis the U.S. dollar will restrain the size and speed of Canadian interest and mortgage rate increases in 2005 and 2006.

Short-term mortgage rates are expected to be 25-35 basis points higher in 2005 than in 2004 while longer-term rates will be lower by a similar amount in 2005 compared to the previous year. While still low by historical norms, mortgage rates are expected to rise gradually by 25- 50 basis points in 2006. One, three and five-year mortgage rates are forecast to be in the 4.50-5.75, 5.25-6.25, and 5.50-6.50 per cent ranges respectively in 2005-06. However, rising posted mortgage rates may not necessarily lead to higher mortgage rates negotiated between borrowers and lenders.

Mortgage Rates Inch Higher



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CMHC FORECAST SUMMARY

Edmonton Housing Market Outlook - October 2005

	2003	2004	%Chg	2005*	%Chg	2006*	%Chg
RESALE MARKET							
MLS(1) active listings (annual average)	3,954	4,531	14.6%	4,400	-2.9%	4,300	-2.3%
MLS Sales							
Single-family	11,097	12,028	8.4%	12,300	2.3%	11,900	-3.3%
Condominium	4,268	4,661	9.2%	5,000	7.3%	4,900	-2.0%
Total	16,277	17,652	8.4%	18,300	3.7%	17,750	-3.0%
MLS Price							
Single-family	185,569	201,622	8.7%	220,000	9.1%	232,500	5.7%
Condominium	124,671	134,503	7.9%	140,000	4.1%	145,500	3.9%
Average	165,541	179,610	8.5%	193,000	7.5%	203,000	5.2%
NEW HOME MARKET							
Starts							
Single-family	6,391	6,614	3.5%	7,350	11.1%	6,900	-6.1%
Multiple-family	5,989	4,874	-18.6%	6,000	23.1%	5,400	-10.0%
Total	12,380	11,488	-7.2%	13,350	16.2%	12,300	-7.9%
Average New Single-Family Price	223,507	242,175	8.4%	268,500	10.9%	295,000	9.9%
RENTAL MARKET							
Vacancy rate (Oct)	3.4	5.3		4.8		4.5	
Rental rate, 2 bdrm(yr/yr % chg)	1.8	1.2		0.0		1.0	
FORECAST ASSUMPTIONS							
Mortgage rate (3 yr term)	5.82	5.65		5.64		6.00	
Mortgage rate (5 yr term)	6.39	6.23		6.05		6.38	
Employed	539,900	556,300	3.0%	559,300	0.5%	569,300	1.8%
Employment growth (# jobs)	16,600	16,400		3,000		10,000	
Unemployment rate	5.0	4.8		5.0		4.8	
Net-migration (July 1- June 30)	5,715	6,895	20.6%	9,000	30.5%	10,500	16.7%

* CMHC Forecast

Source: CMHC, Statistics Canada, Edmonton Real Estate Board

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